

## Message Text

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67

ACTION EUR-25

INFO OCT-01 ISO-00 SP-03 AID-20 EB-11 NSC-07 RSC-01

CIEP-02 TRSE-00 SS-20 STR-08 OMB-01 CEA-02 AGR-20

CIAE-00 COME-00 INR-10 LAB-06 NSAE-00 SWF-02 DRC-01

/140 W

----- 088286

R 111703Z JUL 74

FM AMEMBASSY BONN

TO SECSTATE WASHDC 3741

INFO AMEMBASSY BRUSSELS

USMISSION EC BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY THE HAGUE

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DEPARTMENT PASS AGRICULTURE FOR GOODMAN

E.O. 11652: N/A

TAGS: EAGR, GW

SUBJECT: SOYBEAN CAP

REF: (A) BONN 09559; (B) EC BRUSSELS 4057

1. MINAG CONTACTS INFORM US THAT ON JULY 9 THE SPECIAL COMMITTEE OF THE COUNCIL OF MINISTERS APPROVED THE PROPOSAL FOR A SOYBEAN CAP.

2. THE BASIC REGULATION WAS APPROVED BY THE SPECIAL COMMITTEE AND WILL PROBABLY BE APPROVED BY THE COUNCIL.

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THE SUPPORT PRICE AND TECHNICAL DETAILS WILL BE DECIDED

IN SUBSEQUENT REGULATIONS.

3. FROM THE INFORMATION AVAILABLE, IT APPEARS THAT THE SYSTEM WILL FUNCTION IN THE FOLLOWING MANNER. THE SUPPORT PRICE, WHICH WILL PROBABLY BE ADOPTED FOR 1974/75, WILL BE APPROXIMATELY 5 PERCENT ABOVE THE WORLD PRICE. IN FUTURE CALCULATIONS WE EXPECT THE SUBSIDY WILL BE BASED ON THE DIFFERENCE BETWEEN THE EC SUPPORT PRICE AND THE WORLD PRICE. WE UNDERSTAND ALSO THAT THE SUBSIDY WILL BE PAID AFTER THE HARVEST. PAYMENTS TO PRODUCERS WILL INITIALLY BE ON THE BASIS OF AVERAGE SOYBEAN YIELDS IN THE COMMUNITY; THUS THE MORE MARGINAL SOYBEAN PRODUCERS WITH LOWER THAN AVERAGE YIELDS WILL RECEIVE HIGHER PAYMENTS PER UNIT OF OUTPUT THAN WILL PRODUCERS WITH ABOVE AVERAGE YIELDS. IT IS EXPECTED IN 3 TO 5 YEARS THAT THE COMMISSION WILL PROBABLY FIX AVERAGE YIELDS BASED ON SOYBEAN PRODUCING REGIONS, SO WHILE THE FARMER WILL STILL BE PAID ON THE BASIS OF AVERAGE YIELDS, THESE YIELDS WILL NOT BE ESTABLISHED FOR THE WHOLE COMMUNITY, BUT ON SEVERAL REGIONAL AREAS WHERE THEY EXPECT SOYBEANS TO BE GROWN.

CASH

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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CAP, AGRICULTURAL PRODUCTION, SOYBEANS, AGRICULTURAL PRICE SUPPORTS, NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 11 JUL 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974BONN11007  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740185-0909  
**From:** BONN  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740759/aaaabyhb.tel  
**Line Count:** 83  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** (A) BONN 09559; (B) EC BRUSSELS 4057  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 03 APR 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <03 APR 2002 by worrelsw>; APPROVED <20 JUN 2002 by golinofr>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SOYBEAN CAP  
**TAGS:** EAGR, GE  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005